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BEFORE THE ARIZONAL CORPORATION COMMISSION

COMMISSIONERS

KRISTIN K. MAYES, Chairman

GARY PIERCE

PAUL NEWMAN

SANDRA D. KENNEDY **BOB STUMP**

2009 APR 16 A 11: 27

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Arizona Corporation Commission DOCKETED

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7 IN THE MATTER OF THE APPLICATION OF BEAVER DAM COMPANY, INC. FOR 8 FINANCING AUTHORIZATION.

9 IN THE MATTER OF THE APPLICATION OF 10 INCREASE.

BEAVER DAM COMPANY, INC. FOR A RATE

DOCKET NO. W-03067A-08-0266

DOCKET NO. W-03067A-08-0380

PROCEDURAL ORDER

BY THE COMMISSION:

On May 27, 2008, Beaver Dam Water Company, Inc. ("Beaver Dam" or "Company") filed with the Arizona Corporation Commission ("Commission") an application in Docket No. W-03067A-08-0266 for emergency authorization to obtain a loan from the Water Infrastructure Finance Authority ("WIFA") in the amount of \$104,284, for the purpose of constructing water storage improvements ("Finance Case").

On July 23, 2008, the Company filed an application for a rate increase in Docket No. W-03067A-08-0266 ("Rate Case").

By Procedural Order issued September 5, 2008, the Rate and Finance Cases were consolidated.

On November 21, 2008, the Commission's Utilities Division Staff ("Staff") filed a Letter of Sufficiency stating that the Company was classified as a Class D utility.

On January 12, 2009, Staff issued a Revised Letter of Sufficiency which supersedes the Letter of Sufficiency filed on November 21, 2008. Staff's Letter of Sufficiency states that Beaver Dam's rate application had met the sufficiency requirements as outlined in A.A.C. R14-2-103, but that Beaver Dam has been reclassified as a Class C utility.

On January 20, 2009, Beaver Dam filed a Response to Staff's reclassification of the Company, stating, among other things, that Beaver Dam sought a waiver of the Class C filing requirements and the Company needs a Decision prior to the date indicated in the Revised Letter of Sufficiency in order to obtain the WIFA loan needed to construct a water storage tank.

On January 23, 2009, a Procedural Order was issued scheduling the consolidated dockets for hearing on April 27, 2009, and directing the Company to publish notice and mail notice of the hearing to each of its customers.

On March 18, 2009, Motions to Intervene were filed by Patricia and Gene Litton, Mr. and Mrs. Earl Cassey, Dale and Marge Ruby, and "Lewis & Ramona." On March 20, 2009, and again on March 24, 2009, Donald T. Schreck filed a Motion to Intervene¹. In addition, a number of public comments have been received by the Commission's Consumer Services Division opposing the requested rate increase.

On March 31, 2009, the Company filed a "Response Motion to Intervene Fred Oedekoven." However, there is no record of a Motion to Intervene being filed by Mr. Oedekoven.

On April 7, 2009, Staff filed its Staff Report recommending that new rates be approved for Beaver Dam, and that the requested financing application be approved subject to certain conditions. Staff's recommended rates are substantially less than the proposed increase requested by the Company.

On April 13, 2009, the Company's manager, Bob Frisby, filed a letter requested an extension of 10 days, from April 17, 2009 to April 24, 2009, to file its response to the Staff Report.

On April 15, 2009, Staff filed a Response to Request for Extension, stating that Staff does not object to an extension until April 22, 2009, for the Company's response to the Staff Report.

On April 16, 2009, a teleconference was conducted with Staff and Mr. Frisby to discuss the proposed extension of time. During the teleconference, Mr. Frisby indicated that he mailed most of the information related to his response on April 15, 2009, and that he would submit his pro forma information related to the application by April 22, 2009.

¹ It is not clear from these filings whether the individuals requesting intervention intend to participate as intervenors and present evidence, or whether they seek to present their views through public comment. Given that no opposition to participation by these named individuals has been filed, intervention shall be granted. However, each of these persons will be given an opportunity at the hearing to offer either public comment or sworn testimony subject to cross-examination.

IT IS THERFORE ORDERED that the Beaver Dam shall be granted an extension of time, until April 22, 2009, to file its response to the Staff Report. In all other respects, the January 23, 2009, Procedural Order shall remain in full force and effect. IT IS FURTHER ORDERED that the Motions to Intervene filed by Patricia and Gene Litton, Mr. and Mrs. Earl Cassey, Dale and Marge Ruby, "Lewis & Ramona," and Donald T. Schreck are hereby granted. IT IS FURTHER ORDERED that the Administrative Law Judge may rescind, alter, amend, or waive any portion of this Procedural Order either by subsequent Procedural Order or by ruling at hearing. DATED this ______ day of April, 2009. Drolles DWIGHT D. NODES ASSISTANT CHIEF ADMINISTRATIVE LAW JUDGE Copies of the foregoing mailed/delivered This / April, 2009 to: Donald T. Schreck Bob Frisby, Manager 250 Jack Benny Way BEAVER DAM WATER COMPANY, INC. P.O. Box 446 P.O. Box 550 Beaver Dam, AZ 86432 Littlefield, Arizona 86432-0550 19 Janice Alward, Chief Counsel Patricia and Gene Litton 20 ARIZONA CORPORATION COMMISSION 2787 Sierra Litton 1200 W. Washington Street P.O. Box 1127 21 Phoenix, Arizona 85007 Beaver Dam, AZ 86432 22 Ernest Johnson, Director Dale & Marge Ruby **Utilities Division** P.O. Box 701 23 ARIZONA CORPORATION COMMISSION Beaver Dam, AZ 86432 1200 W. Washington Street 24 Phoenix, Arizona 85007 Lewis & Ramona 598 Iron Wood Beaver Dam, AZ 86432 200 By: 26 Debbi Person Mr. & Mrs. Earl Cassey Secretary to Dwight D. Nodes 517 Mimosa Ave. 27

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Beaver Dam, AZ 86432